Jeffery A. Hunnes Guthals, Hunnes & Reuss, P.C. P.O. Box 1977 Billings, MT 59103-1977 Telephone Number 406-245-3071 Facsimile Number 406-245-3074 E-Mail Address jhunnes@ghrtlawfirm.com Montana State Bar I.D. No. 2406

ATTORNEYS FOR ERNIE AND LEANNE DUTTON; LIVINGSTON MARBLE AND GRANITE, INC.; WILLIAM AND EVELYN SCALISE; AND GREG AND EMILY STRONG.

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MONTANA

In Re:	) Case No. 06-60855
INCREDIBLE AUTO SALES, LLC.	) APPLICATION FOR ALLOWANCE ) OF ADMINISTRATIVE EXPENSE
Debtor.	) ) )

Ernie and Leanne Dutton, Livingston Marble and Granite, Inc, William and Evelyn Scalise, and Greg and Emily Strong (hereinafter "The Dutton Group"), through counsel, and pursuant to 11 U.S.C. §503(b)(1) and (b)(7) submits this Application for Administrative Expense, on the grounds that it is entitled to allowance of administrative expenses for actual, necessary costs and expenses of preserving the estate, and for monetary obligations due with respect to a nonresidential real property lease previously assumed under section 365 of the Bankruptcy Code and subsequently rejected. In support of this Application, Dutton Group represents as follows:

1. Debtor filed a Petition under Chapter 11 of the Bankruptcy Code on October 17, 2006.

- 2. Dutton Group was party to a commercial lease agreement dated March 15, 1996 with Debtor for the premises located at 1832 King Avenue West, Billings, Montana ("Lease").
- 3. On January 4, 2007 the Bankruptcy Court granted Debtor's motion to assume the Lease pursuant to 11 U.S.C. §365.
- 4. On January 24, 2007, the Bankruptcy Court approved a stipulation for payment of 3 months post petition rent from proceeds of sale of Debtor's assets, and use of cash collateral to pay reduced rent of \$10,000 per month due February 15 and March 15, 2007.
- 5. On March 20, 2007 the Bankruptcy Court entered an Order approving a Stipulation between Debtor, the Dutton Group and Hyundai Motor Finance Company providing for rent payment, sale of disputed fixtures, and disposition of other property.
- 6. On April 10, 2007 the Bankruptcy Court entered an Order converting this case from Chapter 11 to Chapter 7 of the Bankruptcy Code. Joseph V. Womack was appointed Trustee of the Bankruptcy Estate.
- 7. On May 1, 2007 the Bankruptcy Court entered an Order approving a Stipulation between Debtor and Dutton Group for the rejection of the Lease. Pursuant to the Stipulation, Dutton Group reserved all rights to file a proof of claim and application for allowance of administrative claim expense related to the Lease and made no determination as to the proper treatment, classification or payment of the Dutton Group's claims for unpaid rent, taxes, utilities or any other obligations under the Lease.
- 8. Dutton Group has filed a proof of claim, incorporated herein by reference, claiming the following administrative expenses:

Unpaid rent and expenses prior to rejection of lease: \$42,636.68

Monetary obligations for rejected lease: \$103,327.08

Dutton Group respectfully requests the Court to allow these claims as administrative expenses of Debtor's bankruptcy.

DATED this 23rd day of August, 2007.

Guthals, Hunnes & Reuss, P.C. P. O. Box 1977 Billings, MT 59103-1977

By: <u>/s/ Jeffery A. Hunnes</u> Jeffery A. Hunnes

## NOTICE TO CREDITORS

If you object to the motion, you must file a written responsive pleading and request a hearing within ten (10) days of the date of the motion. The responding party shall schedule the hearing on the motion at least twenty (20) days after the date of the response and request for hearing and shall include in the caption of the responsive pleading the date, time and location of the hearing by inserting in the caption the following:

Date: \_\_\_\_\_

NOTICE OF HEARING

Time:	
Location:	
•	ed, the Court may grant the relief requested as a failure to e deemed an admission that the relief requested should be
DATED this 23rd day of Augu	est, 2007.
	Guthals, Hunnes, Reuss & Thompson, P.C. P. O. Box 1977 Billings, MT 59103-1977
	By: <u>Jeffery A. Hunnes</u> Jeffery A. Hunnes

## **CERTIFICATE OF SERVICE**

**THIS IS TO CERTIFY,** under penalty of perjury, that the foregoing Application for Allowance of Administrative Expense was filed on August 23, 2007, with the Clerk of the Bankruptcy Court using the CM/ECF system, which will electronically notify all persons listed with the Court.

Guthals, Hunnes, Reuss & Thompson, P.C.

By: /s/ Jeffery A. Hunnes
ATTORNEYS FOR CREDITORS ERNIE AND
LEANNE DUTTON; LIVINGSTON MARBLE
AND GRANITE, INC.; WILLIAM AND EVELYN
SCALISE; AND GREG AND EMILY STRONG.